



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good morning,

One of the most empowering qualities about the Arizona travel industry is that it is intertwined with a variety of other businesses that are united in keeping our state's economy moving forward.

In celebration of this unity, the [Arizona Tourism Alliance](#) is hosting the [6th Annual Arizona Tourism Unity Dinner](#) on Thursday, March 11. This event is a true testament to what is wonderful about our industry and how we come together in a unified voice to deliver the important message that tourism provides a valuable return on the state's investment day in and day out.

The event is also an opportunity to honor the contributions of extraordinary Arizonans for their leadership and support of the tourism industry. This year, the Cactus League organization will be honored as the 2010 Advocate of the Year.

For more information about the Unity Dinner, please read our ***Industry News*** section below.

I hope to see you all there!

AOT News

Arizona Office of Tourism Announces ATU Social Media Workshops!

The Arizona Office of Tourism is proud to present the next series of highly-informative Arizona Tourism University workshops. This complimentary workshop series, titled **First Why, Then How: Creating a Social Media Strategic Roadmap**, will begin in March.

The series will be presented by Jay Baer, one of the world's most popular social media consultants and bloggers. He is the creator of the *7-step Social Media Strategic Planning Process* and the *Twitter 20* series of live Twitter interviews. An online marketing pioneer, he has worked with more than 700 companies - and 25 of the Fortune 1000 - since 1994.

Be sure to sign up today by sending your RSVP to ATURSVP@azot.gov.

First Why, Then How: Creating a Social Media Strategic Roadmap complimentary workshops will be held from 1:00 to 3:30 p.m. in the following locations: learnt

March 10

[City of Flagstaff Aquaplex](#)

1702 N. Fourth St.
Flagstaff, AZ 86004

March 26

[Glendale Civic Center](#)

5750 West Glenn Drive
Glendale, AZ 85301

April 9

Webinar – presentation delivered right to your desktop!

To register, send your contact information to ATURSVP@azot.gov.

AOT Reaches Out to Arizona Community

Arizona Office of Tourism staff members, Brian Lang and Glenn Schlottman traveled to Crown King, Arizona to attend a Chamber of Commerce board meeting. Discussions centered on how the community and AOT can work together to develop traveler opportunities. The community is looking to expand their tourism product and attract more visitors. Brian and Glenn discussed AOT's offerings, including community web listings, special event listings, Arizona Tourism University workshops and toolkits, and research resources. They also discussed cooperative opportunities, such as familiarization tours and advertising. The meeting was well attended by 11 chamber board members including Chamber President, Gregory Flores.

Crown King is located in the southern portion of Yavapai County and the Prescott National Forest. About two hours from Phoenix, it is nestled in the cool pines of the Bradshaw Mountains. The community which grew up as a mining camp now has an estimated 100 residents, and supports an active ATV and OHV community.

AOT Now Accepting Nominations for Governor's Tourism Awards!

The Arizona Office of Tourism and our partners are busy coordinating plans for the next annual Governor's Conference on Tourism, July 12-14, at Loews Ventana Canyon Resort in Tucson. The conference is the premier event for members of the travel industry to participate in dynamic work sessions and listen to informative guest speakers.

In addition to the conference, AOT coordinates the **Governor's Tourism Awards**, honoring individuals and organizations that have contributed noteworthy achievements over the past

year to the betterment of the tourism industry. These award recipients are fine examples of leadership, commitment and teamwork that have helped make the Grand Canyon State a premier travel destination.

AOT invites you to review the 2010 award categories and guidelines and submit nominations of individuals or organizations that have made a significant contribution to the tourism industry. The winners will be awarded at the Governor's Tourism Awards Luncheon on Tuesday, July 13. All submissions must be received by **April 16, 2010**. Please visit the [Governor's Conference on Tourism](#) section of www.azot.gov for award categories, guidelines and nomination forms.

Look for future editions of **AOT in Action** for Governor's Conference on Tourism registration information!

AOT Events

AAA Salsa Trail FAM Tour

Kristin Swanson, Travel Industry Marketing Specialist, escorted a familiarization tour entitled "The AAA Salsa Trail FAM." In attendance were seven AAA travel agents from the states of Arizona, Colorado, Pennsylvania, Ohio, Oklahoma, and Washington. This very well-received familiarization tour made stops in Safford, Sierra Vista, Scottsdale, and Tempe.

The group traveled over to Scottsdale and experienced the culinary wonders at the Camelback Inn, A JW Marriot Golf Resort & Spa, stayed at the Scottsdale Resort & Athletic Club, and sampled the cuisine at the Phoenician Resort & Spa. In Tempe they toured the Mill Ave district and made a stop at the Tempe Mission Palms. They were also able to gain knowledge of the plants of the Sonora Desert located at the Desert Botanical Gardens. Making their way down to Safford the group traveled and sampled the savory salsas along the Salsa Trail. They made stops at La Casita Café, La Paloma Restaurant, Mi Casa Tortilla Factory, San Simon Chile Company and El Coronado.

The last days on the tour were spent in and near Sierra Vista, here the group traveled to the Amerind Foundation learning all about Native American cultures, searched for far away planets at the Junk Bond Observatory, explored the Ramsey Canyon Preserve, hiked to the Lady of the Sierras Shrine, caught up on their military history at Fort Huachuca, and searched for wildlife at the San Pedro House. For more information please contact Kristin Swanson at 602-364-3696 or via e-mail at kswanson@azot.gov.

Arizona Represented at Go West Summit

AOT attended the Go West Summit in Sacramento, California from February 1 – 4. Go West is an annual seminar and marketplace for tour operators and Western States regional tourism suppliers. There were approximately 100 operators from Europe, Latin America and Asia in attendance, in addition to many U.S. based receptive operators. The three-day event comprised of seminars and guest speakers, along with two days of pre-scheduled 12 minute appointments with the tour operators to review both their current and potential Arizona product. For more

information or a copy of the report, please contact Hylton Fothergill at 602 364 3706 or via e-mail at hfothergill@azot.gov.

Upcoming Events & Activities

UK Media and Trade Mission

Dates: March 8 – 12

Location: London and Manchester

Arizona Road Show in Mexico

Date: March 16 – 18

Location: Mexico City

Northern Exposure Press Trip

Date: March 22 – March 27

Location: Williams, Grand Canyon, Flagstaff

French Tour Operator Road Show

Date: April – May

Location: Lille, Toulouse and Nantes

Industry News

Last Chance to Register for the 6th Annual Arizona Tourism Unity Dinner!

The Arizona Tourism Unity Dinner will be held Thursday, March 11, at Chase Field. The event is a major fundraiser for the Arizona Tourism Alliance, but also honors individuals for their extraordinary support and service to Arizona's travel and tourism industry. The Unity Dinner is a wonderful event that brings together public and private tourism industry organizations and elected officials from across the state to celebrate tourism. For ticket information, please visit www.aztourismalliance.org.

SAVE the DATE: 2010 Forks & Corks –Thursday, April 8

Stars of the Valley's culinary scene join forces once again for a high-energy celebration of food and wine at the 7th annual Forks & Corks. More than 20 of the top chefs from renowned restaurants and resorts will be on hand to prepare specialties from their respective menus. Guests will indulge in savory samplings while enjoying the jazz styling of local favorite, Doc Jones & Nayo. Tastings from boutique wineries and microbreweries will also be available, as well as a silent auction featuring opportunities to purchase Arizona getaways and gift certificates. This is a 21-and-over event. Forks & Corks will be held Thursday, April 8, 2010, from 5:30 to 8:00 p.m. and the Camelback Esplanade.

The event is presented by Arizona Hotel & Lodging Association (AzHLA) and the Arizona Restaurant Association (ARA) to promote the cuisine from Arizona's fine assortment of

restaurants and resorts as well as salute the pairing expertise of vineyards from around the world. The event is also designed to benefit the educational efforts of the Arizona Hotel and Restaurant Education Foundations. For more tickets visit www.ForksandCorks.org or call 602-604-0729.

Follow Forks & Corks on Twitter at: www.Twitter.com/ForksandCorks and become a fan on Facebook!

U.S. Ad Spend Falls Nine Percent in 2009, Nielsen Says

U.S. ad spending was down for the sixth straight quarter, despite signs that the decline is slowing, according to preliminary figures released today by The Nielsen Company. All told, advertisers spent an estimated \$117 billion on U.S. media in 2009, down 9 percent from 2008. Thanks in part to a relatively strong fourth quarter, the 9 percent decline was an improvement from the pace of ad spending reported earlier in the year. Spending was down 15.4 percent through the first six months of 2009 and 11.5 percent after the first three quarters.

"Fourth quarter ad spending was down just two percent year-over-year, and that helped soften the full-year decline," said Terrie Brennan, senior VP for new business development at The Nielsen Company. "In fact, most of the top advertisers showed increased spending late in the year. These are encouraging signs for an ad market that's still trying to stop the bleeding." *(Marketing & Tourism Trends e-Newsletter, March 2)*

Travel Companies Grapple With "New Normal"

U.S. travel companies, bruised last year by a recession that drained demand and destroyed their ability to raise prices, are taking tentative steps toward recovery, but a full rebound may be a long way off says Reuters.

The greatest concern for hotels, airlines, travel agencies and entertainment companies is that the financial crisis has led to a permanent reduction in spending on business travel, that corporations will tell their road warriors they always have to fly coach and shop online for cheaper hotel rates. "Companies are realizing that travel has always been a big component of their budgets, but it's a component you can control," said Deutsche Bank analyst Chris Woronka. "You travel differently now. Maybe you fly coach instead of business class, maybe you stay in a four-star hotel, not a five-star one," Woronka said.

Travel management agencies and consultants said companies are likely to institute permanent changes in the way employees travel, effectively creating a "new normal" for business travel. Some companies may prohibit premium-class travel altogether or use video conferencing to replace some trips, according to a business travel outlook provided by Carlson Wagonlit Travel. As the recession sapped demand for travel, hotel operators got creative. They shut down restaurants, closed floors and even cut back on newspaper delivery to ride out the downturn. Hotel heavyweights Marriott International and Starwood Hotels & Resorts have since noted signs of a nascent recovery in travel demand. Companies are sending employees on business trips again, even if they are openly pinching on travel budgets, and hotels are fuller.

The central issue now for hotel operators is room rates. Hotels cut prices for their U.S. rooms an average of nearly 9 percent in 2009 and are expected to cut them another 2.1 percent this year, according to PricewaterhouseCoopers LLC.

Will hotels be able to command the rates they once enjoyed in the heady days of 2007 or has there been a paradigm shift in the way people spend on travel? "That's the \$1 million question," said Choice Hotels International Chief Financial Officer David White in an interview.

White says the severity of recession has recalibrated how companies and vacationers think about travel spending. They're likely to gravitate toward good deals. "The great recession has scarred many people and it may take a while for them to come out of their shells and decide they're willing to go more upscale with their purchases for hotels, for TVs, anything," White said. "That pursuit of value by consumers is not going to go away easily or soon," he added.

(Marketing & Tourism Trends e-Newsletter, March 2)

U.S. Travel Industry to Add 90,000 American Jobs In 2010

The U.S. Travel Association today announced that projected modest 2010 increases in leisure, business and international inbound travel will enable the industry to add nearly 90,000 American jobs. Leisure travel is expected to rise 2.0 percent, business travel is projected to increase by 2.5 percent and international inbound travel will increase by 3.0 percent. These job gains come on the heels of 400,000 combined travel industry job losses in 2008 and 2009.

"The travel industry shares President Obama's goal of putting Americans back to work. Our industry is uniquely capable of adapting to economic upswings and quickly adding tens of thousands of jobs," said Roger Dow, president and CEO of the U.S. Travel Association. "What we announce today is based upon modest increases in travel. Given its immense potential, we call on the Administration and Members of Congress to build a plan for economic recovery that drives significant increases in travel."

Domestic leisure travel is expected to increase 2 percent in 2010, with a corresponding increase in leisure travel spending of nearly 5 percent. Domestic business travel volume will grow 2.5 percent next year and business travel spending will increase 4 percent.

International inbound travel will increase nearly 3.0 percent in 2010; however, growth in overseas travel (excluding Canada and Mexico) will remain stable at about 1 percent. Overseas travel visitation in 2010 will remain below 2000 levels (23.5 million versus 26.0 million, respectively). The concern about the lack of substantial growth next year from this market is that overseas travelers contribute significantly more to the U.S. economy, spending an average of \$4,500 per person, per trip compared to about \$900 per person, per trip for Canadian and Mexican travelers. *(Marketing & Tourism Trends e-Newsletter, March 2)*

NTA Says Farr's TRIP Act Will Boost Domestic Tourism

Representative Sam Farr (D-California), co-chair of the Congressional Travel and Tourism Caucus, has introduced H. R. 4676, the Travel Regional Investment Partnership (TRIP) Act, which will provide US\$50 million in matching grants to destination marketing organizations and their strategic partners.

The main purpose of the TRIP Act is to stimulate more jobs and revenue through domestic tourism. The bill authorizes the Secretary of Commerce to provide US\$10 million annually in matching grants for five years to convention and visitor bureaus, state tourism offices and regional tourism organizations. These entities can work with others in the tourism sector in their proposals, which will be measured by job creation, travel expenditures and taxes generated.

"This new piece of legislation is a perfect companion to the recently passed Travel Promotion Act, which provides critical resources to do international inbound marketing," said NTA President Lisa Simon, CTP. "Domestic tourism is a key part of the business of every destination. We know from our hundreds of destination marketing organization members that many of them are seeing budgets reduced due to lower appropriations and lower room tax collections in this challenging economy. Representative Farr's bill will be a gigantic boost, creating an impact of US\$100 million in marketing and advertising throughout the United States."

NTA urges its members and strategic partners to contact their U.S. representatives to become co-sponsors of the bill. Representatives should contact Tom Tucker in Representative Farr's office to be added to the co-sponsor list. Additional information can be obtained by contacting NTA Public Affairs Advocate Steve Richer at NTAWashington@gmail.com.

Matching grants for DMOs was one of the top legislative priorities identified at the December 2008 Economic Summit on Travel and Tourism held in Washington, D.C., with more than 40 travel sector organizations participating. The passage of the Travel Promotion Act was another of the top issues designated. Those priorities were sent to President Obama and the leaders of Congress at that time.

NTA is the leading association for professionals serving travelers to, from and within North America. Since its founding in 1951, the association has served a broad and diverse membership and helped them expand market reach with innovative business tools, strategic relationships and collaboration within the industry. NTA membership represents more than 40 countries. To learn more about NTA, please visit www.NTAonline.com/.

Finally, Some Uplifting Airline News

With modest income increases and forecasts of growing demand, the nation's airline industry is showing signs of a recovery, according to several accounts. "The indications of a recovery, documented in recent government and airline reports, come after 14 straight months of declining revenue for the nation's airlines and passenger traffic totals that have been dropping for almost two years," said the LA Times.

But the modest recovery applies not just in the US but worldwide. "We are starting to see some encouraging signs in demand, albeit with large differences among the regions," says Giovanni Bisignani, IATA director general of the International Air Transport Association (IATA).

In the Middle East, demand soared 23.6 percent in January compared to January of last year, while in Latin America, growth was also a robust 11 percent. Carriers in North America and Europe recorded a more muted recovery, with passenger traffic demand up just 2.1 percent and 3.1 percent respectively. "This reflects the jobless recovery from the recession in which consumers are focused on paying down debt," said IATA. The news may be a mixed blessing for airline travelers.

As demand increases, airlines are likely to gradually raise airfare rates, experts say. If demand remains strong, the airlines are expected to add more flights and new routes to meet the demand. "Although the forecasts and analysis show that airline trends are moving in a positive direction, industry experts say the airlines have a long way to go before they can expect

revenue and passenger traffic numbers to return to pre-recession levels,” according to the Times. Majestic Research Corp. released a study showing higher revenues for discount airlines are a sign that demand for business travel is also returning -- a key component to any overall travel recovery. (*Travel Mole e-Newsletter, March 4*)

Social: No Replacement for Traditional Media

A warning: converting to new social media may be a mistake.

“Before you move some of your surviving budget into a spiffy new social-media campaign and give up control of your brand to ‘the conversation,’ consider that you might be replacing your old-fashioned, excruciatingly commercial marketing with newfangled irrelevant nonsense,” writes global brand strategist Jonathan Salem Baskin in Advertising Age.

MTL Creative is also among a growing number of experts counseling against too-high expectations for social media. “As much as we all love social media, it is important to know that even the most well planned campaign cannot replace strong customer service, pr or online networking,” it said.

There is evidence for taking their advice. The Edelman 2010 Trust Barometer found that only 25 percent of people see friends and peers as credible sources of consumer and business information. That is a decline of nearly half since 2008. Other polls also show that people think less of their peers as credible spokespeople. “Should these findings cause worry for the almost four out of five companies planning to take TV ad money and put it into social?” the site asks.

Conversational media could never be anything more than secondary, anecdotal research on products and services, along with partially reliable color commentary, but that’s an accomplishment when compared to the predictably inane or dishonest content we usually put into ads,” the story says. For those who want proof, they suggest contrasting a random chat-room conversation about a product with the last assortment of Super Bowl spots. (*Travel Mole e-Newsletter, March 4*)

Obama Signs Travel Promotion Act

The travel industry celebrated a major victory Thursday when President Obama signed into law legislation establishing the first-ever national travel promotion and communications program to attract more international travelers to the U.S. The measure is seen as a major step in addressing America's decline in attracting overseas visitors to the U.S. during the past decade. The U.S. welcomed 2.4 million fewer overseas visitors in 2009 than in 2000, and the failure to keep pace with the growth in international long-haul travel since 2000 has cost the U.S. economy an estimated \$509 billion in total spending and \$32 billion in direct tax receipts, according to the U.S. Travel Association.

The Commerce Department will oversee the Corporation for Travel Promotion established by the Travel Promotion Act. Commerce will work with the Departments of State and Homeland Security to nominate an 11-member board comprised of representatives from various segments of the travel community. Once the board is in place, it will select an executive director to run the operations of the corporation. The initiative will be funded through a matching program of up to \$100 million in private sector contributions and a \$10 fee on foreign travelers who do not pay \$131 for a visa to enter the U.S.

While most in the travel industry hailed the signing of the Travel Promotion Act, others are unsure if the program-and the \$10 fee-will have the kind of impact that the industry is banking on. "It's absolutely counterintuitive," said Steve Lott, a spokesman for the International Air Transport Association, which represents the airline industry. "To us, we're saying we'd love to see more people visit the United States, but we're going to charge you more for the privilege of entering the country," he added. "We're in favor of increased tourism and visitation...but let's look at our priorities. We don't think that videos and billboards are necessarily a priority. Instead, we should be focusing on how to make customs and immigration easier for people." Tourism professionals counter by saying the program is essentially designed to spread more awareness about security and travel procedures, and it will help rather than deter visitors. *(Special to TA; www.OrlandoSentinel.com; ABC News; Travel Advance, March 5)*

Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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